
FLORIDA PARISHES JUVENILE JUSTICE DISTRICT

AGREED UPON PROCEDURES

JULY 1, 2014 THROUGH MARCH 1, 2015

AGREED-UPON PROCEDURES REPORT

Florida Parishes Juvenile Justice District

Independent Accountant's Report
On Applying Agreed-Upon Procedures

For the Period of July 1, 2014 – March 1, 2015

To the Management of Florida Parishes Juvenile Justice District:

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable."

Management of the Florida Parishes Juvenile Justice District, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Florida Parishes Juvenile Justice District and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the Florida Parishes Juvenile Justice District compliance with certain laws and regulations during the period of July 1, 2014 to March 1, 2015, in accordance with Act 774 of 2014 Regular Legislative Session.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Credit Cards

1. Obtain from management a listing of all active credit cards (and bank debit cards if applicable) for the period between July 1, 2014 and March 1, 2015 including the card numbers and the names of the persons who maintained possession of the cards.

Florida Parish Juvenile Justice District provided us with a listing of all credit cards in use for the period between July 1, 2014 and March 1, 2015.

2. Obtain and review the entity's written policies and procedures for credit cards (and debit cards if applicable) and determine if the following is addressed:
 - How cards are to be controlled
 - Procedures for lost cards
 - Procedures for removal of signatory authorization upon employment termination
 - Allowable business uses
 - Documentation requirements
 - Procedures for lost receipts
 - Required approvers

- Monitoring card usage
- What approval required to open a credit card account

There are no written policies on procedures for credit cards.

3. Obtain the monthly statements for all credit cards (general, stores, and gasoline) used during the period under examination and select for detailed review, the five largest (dollar amount) statements for each card. (Note: For a debit card, select the five monthly bank statements with the largest dollar amount of debit charges):

Florida Parish Juvenile Justice District provided us with all credit card statements for the period under examination. We selected the 5 largest statement balances for each credit card in use to review.

- A. Obtain the entity's supporting documentation for the purchases/charges shown on the selected monthly statements:

- Determine if each purchase is supported by:
 - An original itemized receipt (i.e., identifies precisely what was purchased)

We examined the detail of the 5 largest credit card statements for each credit card noting that out of 76 credit card statements reviewed, there were two instances where one receipt was missing and a detail explanation letter was written and approved by management. There was one other instance where there were two receipts missing on one statement and there was not any written explanation. All of the other statements reviewed had original receipts for each transaction listed.

- Documentation of the business/public purpose (Note: For meal charges, there should also be documentation of the individuals participating)

We examined each transaction on the credit card statement reviewed noting that on each purchase requisition there was a description of what the purchase included, what it was for, and the department it was charged to.

- Other documentation as may be required by policy (e.g., purchase order, authorization, etc.)

During review of the statements we noted that each transaction included a completed and approved purchase requisition that included detail of each purchase with the exception of one transaction that did not have a purchase requisition completed, one that did not have a signed purchase requisition by management and one card that did not have purchase requisition completed for any statements.

- B. Determine if each monthly credit card statement (including supporting documentation) was reviewed and approved, in writing, by someone other than the person making the purchases. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality.)

All statements reviewed were noted to have approval by someone other than the person making the purchases. Each purchase requisition was approved by the proper personnel and checks were approved by the Director of Operations prior to the payment being made.

- C. Determine if credit card statement was approved prior to payment of the bill, with any discrepancies being investigated.

During review of statements, it was determined that all transactions were approved by someone in upper management prior to payment of bill.

Ethics

1. Obtain and review the entity's written policies and procedures on ethics and determine if they address:
 - The prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121
 - Actions to be taken if an ethics violation takes place
 - Systems to monitor possible ethics violations
 - Requirement that all employees, including elected official, annually attest through signature verification that they have read the entity's ethics policy

We reviewed the District's written policies and procedures on ethics and noted all of the above were addressed with the exception of the requirement to annually attest through signed verification that the ethics policy was read. The District requires signature verification of having read the ethics policy upon employment.

2. Randomly select five employees (include elected officials, if applicable, in the population)
 - Determine if a signed verification of having read the ethics policy is located in the employee file for the period between July 1, 2014 and March 1, 2015.
 - Determine if there were any ethics violation reported to the agency during the period between July 1, 2014 and March 1, 2015.
 - Determine if the actions the agency took to investigate alleged ethics violations, and corrective actions taken, agreed to the agency's ethics policy.

We randomly selected 5 employees and determined there was not any signed verification of having read the ethics policy for the period July 1, 2014 and March 1, 2015; however,

all employees had a signed statement in their employee file attesting to having read the policy at the time of employment.

During the period under review, there were alleged ethics violations/complaints reported to the agency. The District hired legal counsel to review the pending complaints/allegations. Corrective actions are under review, and are in agreement with the ethics policy.

3. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics); a list of all employees paid during the period between July 1, 2014 and March 1, 2015, and a list of outside business interests of all board members, immediate family members of board members, and employees.
 - Determine whether any of those employees paid between July 1, 2014 and March 1, 2015 are also included on the listing of immediate family of board members.
 - Determine whether the agency made any payments to entities on the list of outside business interests of board members, immediate family members of board members, and employees.

We have obtained from management a list of the immediate family members of each board member, a list of all employees paid during the period between July 1, 2014 and March 1, 2015, and a list of outside business interests of all board members and did not note there were any employees paid for the period that were also included on the listing of immediate family members. There were not any payments to entities on the list of outside business interest of board members, immediate family members of board members, and employees.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Florida Parishes Juvenile Justice District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwaite & Netterville

Postlethwaite & Netterville

June 25, 2015



Florida Parishes Juvenile Justice Commission
28528 Highway 190
Covington, La 70433

CORRECTIVE ACTION PLAN

June 25, 2015

Louisiana Legislative Auditor

The Florida Parishes Juvenile Justice District respectfully submits the following corrective action plan for the period July 1, 2014 through March 1, 2015.

Name and address of independent public accounting firm: Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

Period: July 1, 2014 – March 1, 2015

The findings from the agreed-upon procedures report are discussed below.

FINDINGS – AGREED UPON PROCEDURES

CREDIT CARDS

Finding: The District does not have a written policy on procedures for credit cards.

Recommendation: We recommend a written policy be adopted outlining how cards are to be controlled, allowable business uses, documentation requirements, required approvers, monitoring of usage, and approval to open an account.

Corrective Action: Management will implement procedures and adopt a written policy to ensure credit card processes procedures are adequately documented.

PURCHASE REQUISITIONS

Finding: Instances were noted where one transaction did not have a purchase requisition completed, one transaction did not have a signed purchase requisition by management, and one credit card did not have purchase requisitions completed for the five statements reviewed.

Recommendation: We recommend a written policy be adopted to address how purchases are initiated, the use of purchase requisitions, and the preparation and approval process of purchase requisitions.

Corrective Action: Management will adopt a written policy on purchase requisitions.

ETHICS POLICY

- Finding:** The District did not have record of annually signed verification of employees having read the ethics policy.
- Recommendation:** We recommend the District implement procedures to ensure employees sign annually to attest of having read the ethics policy.
- Corrective Action:** The District's current policy is to have signed acknowledgement of having read the ethics policy at the time of employment. Management will implement procedures to have signed verification of the ethics policy by all employees annually.

If you have any questions, please contact me at 985-732-6292.

Sincerely,

A handwritten signature in black ink, appearing to read "David Duke", with a stylized, flowing script.

David Duke
President of Board of Commissioners